

FOURTH AVENUE GAMBELL, LLC
EXHIBIT II



Apr 21 04 01:18p

Marc W. Dunne,

907 786 7395

p. 1

**BOND, STEPHENS & JOHNSON**

COMMERCIAL REAL ESTATE SERVICES

April 21, 2004

Mr. Paul Maney
Alaskan Real Estate, Inc.
1343 G Street
Anchorage, AK 99501

RE: Offer to Purchase, East Addition, BLK 26A,
LOTS 8A, 10, 11, 12, Anchorage

Dear Paul,

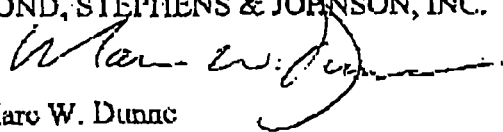
I am writing to respond to Mr. Erwin's letter to John Tindall dated April 9, 2004. Yes, the perceived environmental issues were relayed to the buyer, and it would probably be good to have language in the contract that states the buyer is aware of the history of the site, as suggested by Erwin.

The spirit of what you and I discussed however was that because of the history of the site, once we are under contract, the seller will effect a Phase-2 environmental assessment to determine exactly what the environmental issues might be, and will then disclose the report to the buyer. If contamination does exist, the seller will pursue the culprit, who is likely NC Company, and seek indemnification for the cost to clean the site, which indemnification would pass to the buyer.

The buyer needs the ability to terminate the contract if the Phase-2 proves too ugly, at buyer's discretion, and also if indemnification is not satisfactory to the buyer. In essence, as you and I discussed, the buyer just needs to know exactly what is there and needs to be satisfied with the indemnification.

Sincerely,

BOND, STEPHENS & JOHNSON, INC.


Marc W. Dunne
Associate Broker

CC: J. Tindall
P. Cunningham

FOURTH AVENUE GAMBELL, LLC
EXHIBIT II

Bates 161